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RUEHCV/AMEMBASSY CARACAS 4539
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TAGS: PGOV PREL KDEM PHUM PINR ENVR ASEC BL ECON

SUBJECT: MORALES PARROTS CHAVEZ ON G20, CRITICIZES OBAMA

Classified By: A/EcoPol Chief Brian Quigley for reasons 1.4 (b, d)

¶1. (C) Summary: During a press conference at the Presidential Palace, Bolivian President Evo Morales on April 3 repeated almost verbatim Venezuelan President Hugo Chavez's criticisms of the G20 summit agreement from a day before. Morales added his own doubts regarding President Obama, saying he "did not hope for much" from Obama. Post notes Morales continues to take political cues (and talking points) from his mentor Chavez. End summary.

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Plagiarism 101
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¶2. (U) A day after Venezuelan President Hugo Chavez ridiculed the G20 summit's attempt to address the global economic downturn with pledges to lend more than a trillion dollars to struggling countries, President Evo Morales followed suit, matching Chavez's tone, commentary, and penchant for vibrant imagery. While in Iran, Chavez said the G20's actions was like using "the same medicine that's killing the patient - more money for a bottomless pit. I did not expect such unreasonable and silly decisions would be taken at the G20 summit." Chavez went on to say that enlarging the International Monetary Fund (IMF) by USD 500 billion was like "entrusting beef to vultures." On April 4, Morales said in a press conference that the financial pledges were "like giving money to the wolves, or entrusting the care of the flock to the wolves. The wolf is not going to keep the sheep, it will devour them."

¶3. (U) More prosaically, both leaders agreed that the IMF and developed countries were acting only in their own interest, and that until the current capitalist structure is dismantled, the situation would only get worse. "You have to understand, it is impossible to regulate the financial monster spawned by the capitalist system," said Chavez. Morales added: "It is not possible that the countries of capitalism, which caused the financial crisis, are now the same ones with the solution. As long as we do not touch the structural points of capitalism, it will be difficult to resolve the financial crisis."

¶4. (U) Chavez called the IMF "one of the great guilty ones

behind the crisis" and said the IMF and the World Bank were "tools of imperialism." Morales noted there was euphoria within the IMF and rich nations because they had achieved their goal of injecting more money in the system to promote speculative capitalism. "If we want to solve economic problems, we must first end the free market, then speculative capitalism."

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Morales Criticizes Obama
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¶15. (U) Morales departed from Chavez's script to make a hodgepodge of accusations against the United States and President Obama. As a segue from his comments on speculative capitalism, Morales noted Bolivia had experienced ten percent inflation during the first months of 2009 but blamed it on more such "speculation." He added "if we begin to control the economy as a state, it is possible to confront the crisis." Morales observed that the USG has "the objective to say President Morales is not reducing (drug trafficking); he is increasing cocaine production. (But) the DEA is not important and we do not need them now. How great it would be for the fight against narcotrafficking to not be controlled from the United States, with its political interests. I understand they have their interests, but if they want to change they should not be sending troops to the Middle East and should listen to the countries of the world that have requested an end to the blockade of Cuba." Morales also said he did not believe Obama could change the world financial structure, and that he "did not hope for much" from Obama.

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Comment
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¶16. (C) Morales has long made political hay out of supposed USG "imperialist" desires to use Bolivia as a source for cheap raw materials and a dumping ground for finished goods, invoking everything from dependency theory to CIA conspiracies. Far from a call for "fair trade," Morales says he wants nothing less than the abolition of capitalism and the free market, to be replaced by his vision of a state-run economy. End comment.
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